

FROM

STATE SENATOR

SAM AANESTAD

4TH SENATE DISTRICT

Northern California



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California Charters Charter Schools

Governor Signs Charter School Bill SB 604 Into Law

Governor Schwarzenegger recently signed a measure that will provide additional funding options for all Charter Schools in California. SB 604, authored by Senator Sam Aanestad (R-Grass Valley), will allow charter schools to apply for and receive advanced state funding payments if they add new grade levels from the previous school year.

The Problem

Many charter schools in California find expansion of class levels difficult, because of a lack of funding at the beginning of the school year. State funding is often based on prior year enrollment numbers. Funding for new students isn't normally apportioned to charter schools until late February during the school year – many months after the school needs the extra funds to meet new staff payroll demands and other expenses.

Costly Loans

This apportionment schedule places a real hardship on charter schools that are expanding to add new grade levels, because they are often forced to borrow money at high interest rates, until funding entitlements arrive during the final months of the school year.

SB 604 puts a stop to this financial hardship that expanding charter schools face.

The Solution

The change in state law sought by Senator Aanestad and signed into law by Governor Schwarzenegger will allow a portion of a charter school's advanced funding, also

known as "advanced apportionment," to be based on enrollment estimates. If the charter school in question does not meet the targeted enrollment number, its normal apportionment will be reduced accordingly in the next funding cycle.

More for Students

This new law will encourage charter schools to pursue deliberate and planned growth, while avoiding the need for costly, high interest, short-term loans. Charter school administrators will now be free to

direct a higher proportion of the school's budget to actual instruction, rather than paying off higher borrowing costs.

"Charter Schools in California face a number of hurdles and obstacles that our public districts do not have to deal with, and I'm pleased that the Governor realized the need for this legislation. Our charter school system will benefit from this change in state law."

Senator Sam Aanestad

For more information, visit:

<http://republican.sen.ca.gov/web/4>